

# STATE OF ARIZONA

## Department of Health Services

### NOTICE OF REQUEST FOR PROPOSALS

#### ARIZONA DEPARTMENT OF HEALTH SERVICES

1740 West Adams Street  
Phoenix, Arizona 85007  
(602) 542-1040  
(602) 542-1741 Fax

SOLICITATION NUMBER:

**SOLICITATION NUMBER: HP554189**

SOLICITATION DUE DATE/TIME:

**Solicitation Due Date: March 31, 2005, 3:00 P.M., MST.**

SUBMITTAL LOCATION:

Arizona Department of Health Services  
Office of Procurement  
1740 West Adams Street, Room 303  
Phoenix, Arizona 85007

DESCRIPTION:

**PRIMARY CARE PROGRAM**

PRE-OFFER CONFERENCE:

2/11/05

9:00 AM

AZ State Lab  
Auditorium, 250 N. 17<sup>th</sup>  
Ave., PHX, AZ 85007

Date

Time

Location

In accordance with A.R.S. § 41-2534, competitive sealed proposals for the services specified will be received by the Arizona Department of Health Services at the above specified location, until the time and date cited. Offers received by the correct time and date will be opened and the name of each offeror will be publicly read.

Offers must be in the actual possession of the Arizona Department of Health Services on or prior to the time and date, and at the location indicated above. Late offers will not be considered.

Offers must be submitted in a sealed envelope or package with the Solicitation number and the offeror's name and address clearly indicated on the envelope or package. All offers must be completed in ink or typewritten. Additional instructions for preparing an offer are included in this solicitation.

With 72 hours prior notice, persons with disabilities may request special accommodations such as interpreters, alternative formats, or assistance with physical accessibility. Such requests are to be addressed to the Solicitation Contact Person named below.

**OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION**

**Solicitation Contact Person:**

**Douglas Moore**

Name

**602-542-1040**

Telephone Number

Procurement Administrator

Date

# UNIFORM INSTRUCTIONS TO OFFERORS

## SOLICITATION NUMBER: HP554189

- 1. Definition of Terms.** As used in these Instructions, the terms listed below are defined as follows:
- a. *"Attachment"* means any item the Solicitation requires an Offeror to submit as part of the Offer.
  - b. *"Contract"* means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments; and any terms applied by law.
  - c. *"Contract Amendment"* means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
  - d. *"Days"* means calendar days unless otherwise specified.
  - e. *"Exhibit"* means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
  - f. *"Gratuity"* means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
  - g. *"Offer"* means bid, proposal or quotation.
  - h. *"Offeror"* means a vendor who responds to a Solicitation.
  - i. *"Procurement Officer"* means the person duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract or his or her designee.
  - j. *"Solicitation"* means an Invitation for Bids ("IFB"), a Request for Proposals ("RFP"), or a Request for Quotations ("RFQ").
  - k. *"Solicitation Amendment"* means a written document that is authorized by the Procurement Officer and issued for the purpose of making changes to the Solicitation.
  - l. *"Subcontract"* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
  - m. *"State"* means the State of Arizona and Department or Agency of the State that executes the Contract.
- 2. Inquiries**
- a. Duty to Examine. It is the responsibility of each Offeror to examine the entire Solicitation, seek clarification in writing, and check its Offer for accuracy before submitting the Offer. Lack of care in preparing an Offer shall not be grounds for withdrawing the Offer after the Offer due date and time, nor shall it give rise to any Contract claim.
  - b. Solicitation Contact Person. Any inquiry related to a Solicitation, including any requests for or inquiries regarding standards referenced in the Solicitation, shall be directed solely to the Solicitation contact person. The Offeror shall not contact or direct inquiries concerning this Solicitation to any other State employee unless the Solicitation specifically identifies a person other than the Solicitation contact person as a contact.
  - c. Submission of Inquiries. The Procurement Officer or the person identified in the Solicitation as the contact for inquiries may require that an inquiry be submitted in writing. Any inquiry related to a Solicitation shall refer to the appropriate Solicitation number, page and paragraph. Do not place the Solicitation number on the outside of the envelope containing that inquiry, since it may then be identified as an Offer and not be opened until after the Offer due date and time.
  - d. Timeliness. Any inquiry shall be submitted as soon as possible and at least seven days before the Offer due date and time. Failure to do so may result in the inquiry not being considered for a Solicitation Amendment.
  - e. No Right to Rely on Verbal Responses. Any inquiry that results in changes to the Solicitation shall be answered solely through a written Solicitation Amendment. An Offeror may not rely on verbal responses to its inquiries.
  - f. Solicitation Amendments. The Solicitation shall only be modified by a Solicitation Amendment.
  - g. Pre-Offer Conference. If a pre-Offer conference has been scheduled under this Solicitation, the date, time and location shall appear on the Solicitation cover sheet or elsewhere in the Solicitation. An Offeror should raise any questions they may have about the Solicitation or the procurement at that time. An Offeror may not rely on any verbal responses to questions at the conference. Material issues raised at the conference that result in changes to the Solicitation shall be answered solely through a written Solicitation Amendment.

## UNIFORM INSTRUCTIONS TO OFFERORS

### SOLICITATION NUMBER: HP554189

- h. Persons With Disabilities. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Solicitation contact person. Requests shall be made as early as possible to allow time to arrange the accommodation.

### 3. Offer Preparation

- a. Forms: No Facsimile or Telegraphic Offers. An Offer shall be submitted either on the forms provided in this Solicitation or their substantial equivalent. Any substitute document for the forms provided in this Solicitation will be legible and contain the same information requested on the forms. A facsimile, telegraphic, mailgram or electronic mail Offer shall be rejected.
- b. Typed or Ink; Corrections. The Offer shall be typed or in ink. Erasures, interlineations or other modifications in the Offer shall be initialed in ink by the person signing the Offer. Modifications shall not be permitted after Offers have been opened except as otherwise provided under applicable law.
- c. Evidence of Intent to be Bound. The Offer and Acceptance form within the Solicitation shall be submitted with the Offer and shall include a signature by a person authorized to sign the Offer. The signature shall signify the Offeror's intent to be bound by the Offer and the terms of the Solicitation and that the information provided is true, accurate and complete. Failure to submit verifiable evidence of an intent to be bound, such as an original signature, shall result in rejection of the Offer.
- d. Exceptions to Terms and Conditions. All exceptions included with the Offer shall be submitted in a clearly identified separate section of the Offer in which the Offeror clearly identifies the specific paragraphs of the Solicitation where the exceptions occur. Any exceptions not included in such a section shall be without force and effect in any resulting Contract unless such exception is specifically referenced by the Procurement Officer in a written statement. The Offeror's preprinted or standard terms will not be considered by the State as a part of any resulting Contract.
- i. Invitation for Bids: An Offer that takes exception to a material requirement of any part of the Solicitation, including terms and conditions, shall be rejected.
  - ii. Request for Proposals: All exceptions that are contained in the Offer may negatively affect the State's proposal evaluation based on the evaluation criteria as stated in the Solicitation or result in rejection of the Offer.
- e. Subcontracts. Offeror shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities in the Offer.
- f. Cost of Offer Preparation. The State will not reimburse any Offeror the cost of responding to a Solicitation.
- g. Solicitation Amendments. Each Solicitation Amendment shall be signed with an original signature by the person signing the Offer, and shall be submitted no later than the Offer due date and time. Failure to return a signed copy of a material Solicitation Amendment may result in rejection of the Offer.
- h. Federal Excise Tax. The State of Arizona is exempt from certain Federal Excise Tax on manufactured goods. Exemption Certificates will be prepared upon request.
- i. Provision of Tax Identification Numbers. Offerors are required to provide their Arizona Transaction Privilege Tax Number and/or Federal Tax Identification number, if applicable, in the space provided on the Offer and Acceptance Form and provide the tax rate and amount, if applicable, on the Price Sheet.
- j. Employee Identification. Offeror agrees to provide an employee identification number or social security number to the State for the purposes of reporting to appropriate taxing authorities, monies paid by the State under this contract. If the federal identifier of the offeror is a social security number, this number is being requested solely for tax reporting purposes and will be shared only with appropriate state and federal officials. This submission is mandatory under 26 U.S.C. § 6041 A.
- k. Identification of Taxes in Offer. The State of Arizona is subject to all applicable taxes. Offerors shall indicate taxes as a separate item in the Offer.
- l. Disclosure. If the firm, business or person submitting this Offer has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any Federal, state or local government, or if any such preclusion from participation from any public procurement activity is currently pending, the Offeror shall fully explain the circumstances relating to the preclusion or proposed preclusion in the Offer. The Offeror shall include a letter with its Offer setting forth the name and address of the governmental unit, the effective date of this suspension or debarment, the duration of the suspension or debarment, and the relevant circumstances relating to the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above shall be provided.

## UNIFORM INSTRUCTIONS TO OFFERORS

### SOLICITATION NUMBER: HP554189

- m. Solicitation Order of Precedence. In the event of a conflict in the provisions of this Solicitation, the following shall prevail in the order set forth below:
  - i. Special Terms and Conditions;
  - ii. Uniform Terms and Conditions;
  - iii. Statement or Scope of Work;
  - iv. Specifications;
  - v. Attachments;
  - vi. Exhibits;
  - vii. Special Instructions to Offerors;
  - viii. Uniform Instructions to Offerors.
- n. Delivery. Unless stated otherwise in the Solicitation, all prices shall be Freight on Board (F.O.B.) Destination and shall include all delivery and unloading at the destination(s).

#### 4. Submission of Offer

- a. Sealed Envelope or Package. Each Offer shall be submitted to the submittal location identified in this Solicitation, in a sealed envelope or package that identifies its contents as an Offer and the Solicitation number to which it responds. The appropriate Solicitation number shall be plainly marked on the outside of the envelope or package.
- b. Offer Amendment or Withdrawal. An Offer may not be amended or withdrawn after the Offer due date and time except as otherwise provided under applicable law.
- c. Public Record. Under applicable law, all Offers submitted and opened are public records and must be retained by the State. Offers shall be open to public inspection after Contract award, except for such Offers deemed to be confidential by the State. If an Offeror believes that information in its Offer should remain confidential, it shall stamp as confidential that information and submit a statement with its Offer detailing the reasons that information should not be disclosed. The State shall make a determination on whether the stamped information is confidential pursuant to the Arizona Procurement Code.
- d. Non-collusion, Employment, and Services. By signing the Offer and Acceptance Form or other official contract form, the Offeror certifies that:
  - i. It did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its Offer; and
  - ii. It does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, or disability, and that it complies with all applicable Federal, state and local laws and executive orders regarding employment.

#### 5. Evaluation

- a. Unit Price Prevails. Where applicable, in the case of discrepancy between the unit price or rate and the extension of that unit price or rate, the unit price or rate shall govern.
- b. Taxes. Arizona transaction privilege and use taxes shall not be considered when evaluating Offers.
- c. Late Offers. An Offer submitted after the exact Offer due date and time shall be rejected.
- d. Disqualification. The Offer of an Offeror who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity shall be rejected.
- e. Evaluation Criteria. Proposals will be evaluated as stated in Special Instructions to Offerors, paragraph 6. Evaluation Criteria.
- f. Offer Acceptance Period. An Offeror submitting an Offer under this Solicitation shall hold its Offer open for the number of days from the Offer due date that is stated in the Solicitation. If the Solicitation does not specifically state a number of days for Offer acceptance, the number of days shall be ninety (90). If a Best and Final Offer is requested pursuant to a Request for Proposals, an Offeror shall hold its Offer open for ninety (90) days from the Best and Final Offer due date.
- g. Payment. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.

## UNIFORM INSTRUCTIONS TO OFFERORS

### SOLICITATION NUMBER: HP554189

- h. Waiver and Rejection Rights. Notwithstanding any other provision of the Solicitation, the State reserves the right to:
  - i. Waive any minor informality;
  - ii. Reject any and all Offers or portions thereof; or
  - iii. Cancel a Solicitation.

#### 6. Award

- a. Number or Types of Awards. Where applicable, the State reserves the right to make multiple awards or to award a Contract by individual line items or alternatives, by group of line items or alternatives, or to make an aggregate award, whichever is deemed most advantageous to the State. If the Procurement Officer determines that an aggregate award to one Offeror is not in the State's best interest, "all or none" Offers shall be rejected.
- b. Contract Inception. An Offer does not constitute a Contract nor does it confer any rights on the Offeror to the award of a Contract. A Contract is not created until the Offer is accepted in writing by the Procurement Officer's signature on the Offer and Acceptance Form. A notice of award or of the intent to award shall not constitute acceptance of the Offer.
- c. Effective Date. The effective date of this Contract shall be the date that the Procurement Officer signs the Offer and Acceptance form or other official contract form, unless another date is specifically stated in the Contract.

#### 7. Protests

A protest shall comply with and be resolved according to Arizona Revised Statutes Title 41, Chapter 23, Article 9 and rules adopted thereunder. Protests shall be in writing and be filed with both the Procurement Officer of the purchasing agency and with the State Procurement Administrator. A protest of a Solicitation shall be received by the Procurement Officer before the Offer due date. A protest of a proposed award or of an award shall be filed within ten (10) days after the protester knows or should have known the basis of the protest. A protest shall include:

- a. The name, address and telephone number of the protester;
- b. The signature of the protester or its representative;
- c. Identification of the purchasing agency and the Solicitation or Contract number;
- d. A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
- e. The form of relief requested.

#### 8. Comments Welcome

The State Procurement Office periodically reviews the Uniform Instructions to Offerors and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 N. 15th Avenue, Suite 104, Phoenix, Arizona, 85007.

# SPECIAL INSTRUCTIONS TO OFFERORS

## SOLICITATION NO. HP554189

### 1. PRE-OFFER CONFERENCE:

Prospective offerors are invited to attend a pre-proposal conference. The date, time and location of this conference are indicated below. The purpose of this conference will be to clarify the contents of this request for proposals in order to prevent any misunderstanding of the Department's position. Any doubt as to the requirements of this request for proposals or any apparent omission or discrepancy should be presented to the Department at this conference. The Department will then determine the appropriate action necessary, if any, and may issue a written amendment to the request for proposals. Oral statements or instructions shall not constitute an amendment to this request for proposals.

Conference date: Friday, February 11, 2005

Conference time: 9:00 AM

Conference location: AZ State Lab Auditorium, 250 N. 17<sup>th</sup> Ave., Phoenix, AZ 85007

\* No food or drinks except bottled water with a cap are allowed in auditorium

\* All visitors must sign in and sign a waiver form at security desk prior to entry into lab

### 2. PROPOSAL REQUIREMENTS:

**One (1) original and five (5) copies** of each proposal shall be submitted on the forms and in the format specified in the RFP. The original copy of the proposal should be clearly labeled "ORIGINAL". The material should be in the sequence listed below and related to the RFP. The Department will not provide any reimbursement for the cost of developing or presenting proposals in response to this RFP. Failure to include the requested information may have a negative impact on the evaluation of the offeror's proposal. The proposals should include at least the following information:

- a. Table of Contents.
- b. Signed Offer and Acceptance Form.
- c. Executive Summary.
- d. Needs Justification Statement.
- e. Methodology.
- f. Completed Price Sheet/Fee Schedule and justification of the unit price proposed.
- g. Offeror's Qualifications, Experience and Reliability information.
- h. Offeror's Financial Statement.
- i. Attachments:  
Proposed Subcontracts or intended subcontractor's agreement letter  
Formulary/Drug List.

### 3. INSTRUCTIONS FOR PROVIDING INFORMATION REQUESTED:

The following provides information pertaining to each section of the proposal.

- A. Table of Contents – The Offeror shall provide page numbers for each section of the proposal on this contents page.
- B. Offer and Acceptance Form – The form shall be signed by the authorized person and the original ink signed form needs to be submitted with the proposal labeled original.

<p style="text-align: center;"><b>SPECIAL INSTRUCTIONS TO OFFERORS</b> <b>SOLICITATION NO. HP554189</b></p>
---

- C. Executive Summary – The Offeror shall provide a summary, which will briefly summarize the information presented in the proposal pertaining to need, methodology, and qualifications. (Not to exceed one (1) page).
- D. Needs Justification – The Offeror shall present their case for participating in the Primary Care Program. The unmet need for primary care services is to be identified and quantified by discussing the target service area, its AzMUA status, and the population that is uninsured. Describe the additional numbers to be served above those that can be assisted by other available resources such as federal or grant support. Discuss the health disparities and health problems of the people to be served. Comment on the availability of other sliding fee/reduced fee providers in the area. How is the PCP funding going to improve Access to Care? (Not to exceed four (4) pages).
- E. Methodology – The Scope of Work define the services that the Contractor shall provide. The Offeror shall provide a detailed description of the activities on how the Offeror proposes to accomplish each task listed in the Scope of Service, section 3. The Offeror shall title this section Methodology. (Not to exceed twenty (20) pages).

The Offeror shall begin this section with an Overview of the Organization and its operations, hours, and locations of primary care and related services. An organizational chart shall be included with a brief discussion of the chart.

The Offeror shall describe how the tasks listed in the Scope of Service will be carried out. The positions/persons responsible for accomplishment of the activities involved must be identified. If the task is to be subcontracted, the reason and approach to accomplishing the task must be provided.

- F. Price Sheet/Fee Schedule – The Offeror shall document the calculations utilized in developing the unit rates. Compensation for costs incurred, but not covered by the sliding fee scale patient payment, will be based upon the visit to the provider. All related costs of care are to be considered in calculating that rate. The unit rate proposed shall be transferred to the Price Sheet. (See Attachment B).
- G. Qualifications, Experience, and Reliability -- The offeror should submit any additional background information that may be helpful in evaluating its background, history, resources, or track record. The offeror shall submit an Organization Chart. The offeror shall provide resumes of its key persons (such as, CEO, COO, CFO, and Medical Director) responsible for the delivery of the services. The offeror shall include copies of certificates and licenses required such as CLIA and ADHS Outpatient Treatment Center. (See ARD 41-1092, failure to provide copies of required OTC licenses will be considered non-responsive). The offeror shall present information regarding participation in health plans, insurance companies, AHCCCS, and Medicare.
- H. The Offeror's Financial Statement – The Offeror shall provide it's most current audited financial statement. The offeror shall provide a copy of its current Sliding Fee Schedule. The Offeror shall submit a copy of their most recent "Uniform Data System" or "Medicare Cost Report" (as applicable).
- I. Attachments -- If the Offeror intends on subcontracting for any services, the Offeror shall provide copies of existing contracts or sample contracts it will use. If the subcontract is not in place, a letter of intent, identifying the subcontractors shall be provided along with a description of the selection process.

The Guidance Manual requires the submission of a Formulary. The list of prescription medications that are to be made available to primary care patients is to be included as an attachment to the proposal.

4. OFFEROR QUALIFICATIONS:

Offeror must have the necessary staff resources, state licenses/certifications and facilities to provide the services as described in the Scope of Work.

<p style="text-align: center;"><b>SPECIAL INSTRUCTIONS TO OFFERORS</b> <b>SOLICITATION NO. HP554189</b></p>
---

5. PROPOSAL OPENING:

Proposals shall be opened publicly at the time and place designated on the cover page of this document. The name of each offeror shall be read publicly and recorded. Prices will NOT be read. Proposals will not be subject to public inspection until after contract award.

6. EVALUATION CRITERIA:

In accordance with the A.R.S. § 41-2534, competitive sealed proposals, awards shall be made to the responsible offeror(s) whose proposal(s) is(are) determined in writing to be the most advantageous to the Department based upon the evaluation criteria listed below. The evaluation factors are listed in the relative order of importance.

- Needs Justification.
- Approach and Service Delivery Methodology description of the Tasks described in the Scope of Work.
- Qualifications/Experience/Reliability, based on background, history, resources, track record, organization chart, staff resumes, licenses, certifications, samples of similar work performed and information regarding participation in health plans, insurance companies, AHCCCS & Medicare.
- Cost
- Conformance to all other RFP Requirements and Conditions.

7. CONFIDENTIAL INFORMATION:

- a. If a person believes that a proposal, contains information that should be withheld, a statement advising the procurement officer of this fact and explaining the reasons for confidentiality shall accompany the submission, and the information shall be so identified wherever it appears. The person shall stamp or specifically identify all information the person believe remains confidential.
- b. The information identified by the person as confidential shall not be disclosed until the director makes a written determination.
- c. The director shall review the statement and information and shall determine in writing whether the information shall be withheld.
- d. If the director determines to disclose the information, the director shall inform the person in writing of such determination.

8. DISCUSSIONS:

In accordance with A.R.S. §41-2534, after the initial receipt of proposals, the Department reserves the option to conduct discussions with those offerors who submit proposals determined by the Department to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of and responsiveness to the solicitation requirements regarding the contract and the relative methods of approach for furnishing the required services.



<p style="text-align: center;"><b>SPECIAL INSTRUCTIONS TO OFFERORS</b> <b>SOLICITATION NO. HP554189</b></p>
---

9. PROPOSAL ORGANIZATION AND SUBMISSION:

The Proposal should be organized and submitted in the following manner: **Proposals should have an index, and tabs for each section.** Responses need to be submitted on plain white paper, one sided, 12 pt. font, single-spaced and numbered. Type section headings in all capital letters followed by a colon; do not underline heading. Double-space after each heading. The original, ink signed proposal and each one of the seven copies need to be in a 1 inch, 3 ring binder, with tabs for each section indicated below:

Table of Contents

Offer and Acceptance Form signed by authorized person;

Uniform Terms and Conditions;

Special Terms and Conditions;

Executive Summary;

Needs Justification;

Task Methodology;

Completed Price Sheet/Fee Schedule and Unit Rate Calculation Form (Attachment B);

Offeror's Qualifications, Experience and Reliability; Background Information, Organization Chart, Resumes, Licenses, Certifications, Information Participating in health plans, insurance companies, AHCCCS, and Medicare.

Offeror's Financial Statement;

Attachments as follows:

Proposed Subcontractors or intended subcontractors' agreement letter

Formulary/Drug List

<p style="text-align: center;"><b>UNIFORM TERMS AND CONDITIONS</b> <b>SOLICITATION NO. HP554189</b></p>
---

**1. Definition of Terms**

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

- A. *"Attachment"* means any item the Solicitation requires the Offeror to submit as part of the Offer.
- B. *"Contract"* means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments; and any terms applied by law.
- C. *"Contract Amendment"* means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
- D. *"Contractor"* means any person who has a Contract with the State.
- E. *"Days"* means calendar days unless otherwise specified.
- F. *"Exhibit"* means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
- G. *"Gratuity"* means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
- H. *"Offer"* means bid, proposal or quotation.
- I. *"Offeror"* means a vendor who responds to any type of Solicitation.
- J. *"Procurement Officer"* means the person duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract or their designee.
- K. *"Solicitation"* means an Invitation for Bids (IFB), a Request for Proposals (RFP), or a Request for Quotations (RFQ).
- L. *"Solicitation Amendment"* means a written document that is authorized by the Procurement Officer and issued for the purpose of making changes to the Solicitation.
- M. *"Subcontract"* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
- N. *"State"* means the State of Arizona and Department or Agency of the State that executes the Contract.

**2. Contract Interpretation**

- A. Arizona Law. The law of Arizona applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.
- B. Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- C. Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
  - 1. Special Terms and Conditions;
  - 2. Uniform Terms and Conditions;
  - 3. Statement or Scope of Work;
  - 4. Specifications;
  - 5. Attachments;
  - 6. Exhibits;
  - 7. Documents referenced or included in the Solicitation.
- D. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- E. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.
- F. No Parol Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document.

<p style="text-align: center;"><b>UNIFORM TERMS AND CONDITIONS</b> <b>SOLICITATION NO. HP554189</b></p>
---

- G. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

**3. Contract Administration and Operation**

- A. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other records ("records") relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- B. Non-Discrimination. The Contractor shall comply with State Executive Order No. 99-4 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.
- C. Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.
- D. Inspection and Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes for producing the materials, at reasonable times for inspection of the materials covered under this Contract. The State shall also have the right to test at its own cost the materials to be supplied under this Contract. Neither inspection at the Contractor's facilities nor testing shall constitute final acceptance of the materials. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.
- E. Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice and an amendment to the Contract shall not be necessary.
- F. Advertising and Promotion of Contract. The Contractor shall not advertise or publish information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.
- G. Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.

**4. Costs and Payments**

- A. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.
- B. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all delivery and unloading at the destinations.
- C. Applicable Taxes.
1. Payment of Taxes by the State. The State shall pay only the rate and/or amount of taxes identified in the Offer and in any resulting Contract.
  2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect taxes from the buyer does not relieve the seller from its obligation to remit taxes.
  3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.
  4. IRS W9 Form. In order to receive payment under any resulting Contract, Contractor shall have a current IRS W9 Form on file with the State of Arizona.

<p style="text-align: center;"><b>UNIFORM TERMS AND CONDITIONS</b> <b>SOLICITATION NO. HP554189</b></p>
---

5. Availability of Funds for the Next Fiscal Year. Funds may not presently be available for performance under this Contract beyond the current fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current fiscal year until funds are made available for performance of this Contract. The State shall make reasonable efforts to secure such funds.

**5. Contract changes**

- A. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract unless otherwise permitted by the Special Terms and Conditions. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by an unauthorized State employee or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.
- B. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract without the advance written approval of the Procurement Officer. The Subcontract shall incorporate by reference the terms and conditions of this Contract.
- C. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

**6. Risk and Liability**

- A. Risk of Loss. The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.
- B. General Indemnification. To the extent permitted by A.R.S. § 41-621 and § 35-154, the State of Arizona shall be indemnified and held harmless by the Contractor for its vicarious liability as a result of entering into this Contract. Each party to this Contract is responsible for its own negligence.
- C. Indemnification - Patent and Copyright. To the extent permitted by A.R.S. § 41-621 and § 35-154, the Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph.
- D. Force Majeure.
1. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.
  2. Force Majeure shall not include the following occurrences:
    - a) Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
    - b) Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
    - c) Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.
  3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby

## UNIFORM TERMS AND CONDITIONS

### SOLICITATION NO. HP554189

invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

- E. Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

#### 7. Warranties

- A. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens.
- B. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:
  1. Of a quality to pass without objection in the trade under the Contract description;
  2. Fit for the intended purposes for which the materials are used;
  3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
  4. Adequately contained, packaged and marked as the Contract may require; and
  5. Conform to the written promises or affirmations of fact made by the Contractor.
- C. Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.
- D. Inspection/Testing. The warranties set forth in subparagraphs A through C of this paragraph are not affected by inspection or testing of or payment for the materials by the State.
- E. Year 2000.
  1. Notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that all products delivered and all services rendered under this Contract shall comply in all respects to performance and delivery requirements of the specifications and shall not be adversely affected by any date-related data Year 2000 issues. This warranty shall survive the expiration or termination of this Contract. In addition, the defense of *force majeure* shall not apply to the Contractor's failure to perform specification requirements as a result of any date-related data Year 2000 issues.
  2. Additionally, notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that each hardware, software, and firmware product delivered under this Contract shall be able to accurately process date/time data (including but not limited to calculation, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations, to the extent that other information technology utilized by the State in combination with the information technology being acquired under this Contract properly exchanges date-time data with it. If this Contract requires that the information technology products being acquired perform as a system, or that the information technology products being acquired perform as a system in combination with other State information technology, then this warranty shall apply to the acquired products as a system. The remedies available to the State for breach of this warranty shall include, but shall not be limited to, repair and replacement of the information technology products delivered under this Contract. In addition, the defense of *force majeure* shall not apply to the failure of the Contractor to perform any specification requirements as a result of any date-related data Year 2000 issues.
- F. Exclusions. Except as otherwise set forth in this Contract, there are no express or implied warranties of merchantability or fitness.
- G. Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

<p style="text-align: center;"><b>UNIFORM TERMS AND CONDITIONS</b> <b>SOLICITATION NO. HP554189</b></p>
---

H. Survival of Rights and Obligations after Contract Expiration or Termination.

1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.
2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8. **State's Contractual Remedies**

- A. Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions.
- B. Stop Work Order.
  1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for a period of ninety (90) Days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.
  2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.
- C. Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.
- D. Nonconforming Tender. Materials supplied under this Contract shall fully comply with the Contract. The delivery of materials or a portion of the materials in an installment that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.
- E. Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9. **Contract Termination**

- A. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.
- B. Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

<p style="text-align: center;"><b>UNIFORM TERMS AND CONDITIONS</b> <b>SOLICITATION NO. HP554189</b></p>
---

- C. Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body.
- D. Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the State without penalty or recourse. Upon receipt of the written notice, the Contractor shall immediately stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.
- E. Termination for Default.
1. In addition to the rights reserved in the Uniform Terms and Conditions, the State reserves the right to terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.
  2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.
  3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.
- F. Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.
10. **Contract Claims**. All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.
11. **Comments Welcome**. The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 N. 15<sup>th</sup> Ave., Ste. 104, Phoenix, Arizona, 85007.

## **SPECIAL TERMS AND CONDITIONS**

### **SOLICITATION HP554189**

**1. PURPOSE:**

Pursuant to provisions of the Arizona Procurement Code, A.R.S. ' 41-2501 Et Seq., the State of Arizona, Department of Health Services (ADHS) intends to establish a contract for the materials or services as listed herein.

**2. TERM OF CONTRACT (1 YEAR):**

The term of the resultant contract shall commence upon 7/1/05 and shall remain in effect for one year unless terminated, canceled, or extended as otherwise provided herein.

**3. CONTRACT EXTENSION (4 YEARS):**

By mutual written contract amendment, any resultant contract may be extended for supplemental periods of up to one year for a maximum of four (4) years. The contract term shall not exceed a total of five (5) years from the effective date of the contract.

**4. OFFER ACCEPTANCE (120 DAYS):**

In order to allow for an adequate evaluation, the state requires an offer in response to this solicitation to be valid and irrevocable for one hundred twenty (120) days after the opening time and date.

**5. CONTRACT TYPE:**

☒ Fixed Price

**6. ELIGIBLE AGENCIES (LISTED):**

Any contract resulting from this solicitation shall be for the exclusive use of the state of Arizona agency designated on the cover sheet of this document.

**7. LICENSES:**

The Contractor shall maintain in current status, all federal, state and local licenses and/or permits required for the operation of the business conducted by the contractor.

**8. INFORMATION DISCLOSURE:**

The Contractor shall establish and maintain procedures and controls that are acceptable to the state for the purpose of assuring that no information contained in its records or obtained from the state or from others in carrying out its functions under the contract shall be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information should be referred to the state. The Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of duties under the Contract, unless otherwise agreed to in writing by the state.

**9. KEY PERSONNEL:**

It is essential that the Contractor train and provide adequate, experienced personnel, capable of and devoted to the successful accomplishment of projects that may be performed under this Contract. The Contractor must agree to assign experienced individuals to project positions.

The Contractor agrees that, once assigned to work on a project under this Contract, key personnel should not be removed or replaced without written notice to the ADHS Project Manager.



## **SPECIAL TERMS AND CONDITIONS SOLICITATION HP554189**

If key personnel are not available for work on a specific project, for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the Contractor shall immediately notify the ADHS Project Manager and shall, subject to the concurrence of the ADHS, replace such personnel with personnel of substantially equal ability and qualifications.

**10. RECORDS:**

Pursuant to provisions of title 35, chapter 1, article 6 Arizona revised statutes section 35-214 and section 35-215 each contractor shall retain, and shall contractually require each subcontractor to retain, all books, accounts, reports, files and other records relating to the acquisition and performance of the contract for a period of five (5) years after the completion of the contract. All such documents shall be subject to inspection and audit at reasonable times. Upon request, a legible copy of any or all such documents shall be produced at the offices of the auditor general, the attorney general, the department of health services, procurement office or any agency doing business under this contract.

**11. CANCELLATION, 10 DAY NOTICE:**

The state reserves the right to cancel the whole or any part of this contract due to failure by the contractor to carry out any material obligation, term or condition of the contract. The state shall issue written notice to the contractor for acting or failing to act as in any of the following:

The Contractor provides material that does not meet the specifications of the Contract; The Contractor fails to adequately perform the services set forth in the specifications of the Contract;

The Contractor fails to complete the work required or furnish the materials required within the time stipulated by the Contract;

The Contractor fails to make progress in the performance of the contract and/or gives the state reason to believe that the Contractor will not or cannot perform to the requirements of the Contract.

Upon receipt of the written notice of concern, the contractor shall have ten (10) days to provide a satisfactory response to the state. Failure on the part of the contractor to adequately address all issues of concern may result in the state resorting to any single or combination of the following remedies.

Cancel any contract;

Reserve all rights or claims to damage for breach of any covenant of the contract;

Perform any test or analysis on materials for compliance with the specifications of the contract. If the result of any test confirms a material non-compliance with the specifications, any reasonable expense of testing shall be borne by the contractor;

In case of default, the state reserves the right to purchase materials, or to complete the required work in accordance with the Arizona procurement code. The state may recover reasonable excess costs from the contractor by:

Deduction from an unpaid balance;

Collection against the bid and/or performance bond.

## SPECIAL TERMS AND CONDITIONS

### SOLICITATION HP554189

#### 12. INSURANCE:

##### INDEMNIFICATION CLAUSE:

Contractor shall indemnify, defend, save and hold harmless the State of Arizona its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees (hereinafter referred to as "Indemnatee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State of Arizona.

This indemnity shall not apply if the contractor or sub-contractor(s) are an agency, board, commission or university of the State of Arizona.

##### INSURANCE REQUIREMENTS:

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability** – Occurrence Form

Policy shall include bodily injury, property damage and broad form contractual liability coverage.

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Blanket Contractual Liability – Written and Oral	\$1,000,000

a. The policy shall be endorsed to include the following additional insured language: "The State of Arizona its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".

b. Policy shall contain a waiver of subrogation against the State of Arizona its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by the Contractor.

2. **Automobile Liability**

## SPECIAL TERMS AND CONDITIONS

### SOLICITATION HP554189

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) \$1,000,000

- a. The policy shall be endorsed to include the following additional insured language: "The State of Arizona its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor, including automobiles owned, leased, hired or borrowed by the Contractor".

#### 3. Worker's Compensation and Employers' Liability

Workers' Compensation Statutory

Employers' Liability

Each Accident \$ 500,000

Disease – Each Employee \$ 500,000

Disease – Policy Limit \$1,000,000

- a. Policy shall contain a waiver of subrogation against the State of Arizona its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by the Contractor.
- b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

#### 4. Professional Liability (Errors and Omissions Liability)

Each Claim \$1,000,000

Annual Aggregate \$2,000,000

- a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.
- b. Policy shall contain a waiver of subrogation against the State of Arizona its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by the Contractor.
- c. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract.

#### B. ADDITIONAL INSURANCE REQUIREMENTS: The policies shall include, or be endorsed to include, the following provisions:

1. The State of Arizona its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

#### C. NOTICE OF CANCELLATION: Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after fifteen (15) days prior written notice has been given to the State of Arizona. Such notice

## **SPECIAL TERMS AND CONDITIONS**

### **SOLICITATION HP554189**

shall be sent directly to (State of Arizona Department Representative's Name & Address) and shall be sent by certified mail, return receipt requested.

- D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the state of Arizona and with an "A.M. Best" rating of not less than A VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to (State of Arizona Department Representative's Name and Address). The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.**

- F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
- G. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.
- H. **EXCEPTIONS:** In The event the contractor or sub-contractor(s) are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) are a State of Arizona agency, board, commission, or university then none of the above shall apply.

#### **13. RESTRICTION FOR USE OF FUNDS:**

- a. Funds shall not be used for expenditures on capital construction projects, lobbying activities involving elected officials or political campaigns for individuals or any ballot proposals.
- b. Funds shall not be used to supplant other funds being used to provide covered services. This includes, but is not limited to 329 and 330 funding. The Primary Care Programs is to be the payor of last resort.

#### **14. BUDGET RESTRICTIONS:**

- a. No more than 25% of the total contract amount shall be used for covered dental services.
- b. Administrative costs shall not exceed 10% of the total contract amount. Administrative costs shall be covered in the unit rate (see Rate Calculation Worksheet, Exhibit O).

<p style="text-align: center;"><b>SPECIAL TERMS AND CONDITIONS</b> <b>SOLICITATION HP554189</b></p>
---

15. PRICE INCREASE (1 YEAR):

The contractor may submit a written request for a price increase only after the contract has been in effect for one (1) year. The contractor shall be required to submit (along with the price increase request) to ADHS historical program utilization data and service cost information. The ADHS, Office of Health Systems Development, shall review the information submitted and determine whether the requested price increase or an alternate option is in the best interest of the state.

The price increase adjustment, if approved, will be effective upon July 1st of the subsequent contract year.

16. NON-EXCLUSIVE CONTRACT:

The state reserves the right to obtain like goods or services from another source when necessary. Approval of other sources shall be at the exclusive discretion of the ADHS procurement administrator and shall be final.

17. PUBLICATION OF DESCRIPTIVE LITERATURE OR MATERIALS:

The Contractor shall request authorization from ADHS prior to publication of any materials related to or paid for under this contract.

18. OTHER CONTRACTS:

The agency may undertake or award other Contracts for additional or related work and the Contractor shall fully cooperate with such other Contractors and state employees and carefully fit his own work to such additional work. The Contractor shall not commit or permit any act that will interfere with the performance of work by any other Contractor or by state employees. The agency shall equitably enforce this section as to all Contractors, to prevent the imposition of unreasonable burdens on any contractor.

19. FINANCIAL MANAGEMENT:

For all contracts, the practices, procedures, and standards specified in and required by the Accounting and Auditing Procedures Manual for Arizona Department of Health Services funded programs shall be used by the Contractor in the management of contract funds and by the Department when performing a contract audit. Funds collected by the Contractor in the form of fees, donations and/or charges for the delivery of these Contract services shall be accounted for in a separate fund.

20. FINANCIAL REQUIREMENTS:

Contractors receiving federal funds under this contract shall comply with the certified finance and compliance audit provisions of the Office of Management and Budget (OMB) Circular A-133, if applicable. Contractors receiving state funds under this contract shall comply with the certified compliance provisions of A.R.S. 35-181.03.

21. VOLUME OF WORK:

The Arizona Department of Health Services does not guarantee a specific amount of work either for the life of the contract or on an annual basis.

22. PROPOSAL EXCEPTIONS:

Any Proposal that takes exception to any of the clauses within the Uniform Terms and Conditions or the Special Terms and Conditions, will not be considered for evaluation or award.

<p style="text-align: center;"><b>SPECIAL TERMS AND CONDITIONS</b> <b>SOLICITATION HP554189</b></p>
---

23. HIPPA REQUIREMENTS:

Contractor warrants to the State that it is familiar with the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this contract. Contractor warrants that it will cooperate with the State in the course of performance of the contract so that both parties will be in compliance with HIPAA, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and its regulations. Contractor will sign any documents that are reasonably necessary to keep the State and Contractor in compliance with HIPAA, including but not limited to business associate agreements.

24. OFFSHORE PERFORMANCE OF WORK PROHIBITED:

Due to security and identity protection concerns, all services under this contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision applies to work performed by subcontractors at all tiers. Offerors shall declare all anticipated offshore services in the proposal.

25. INCLUSIVE OFFERORS:

Offerors/Bidders are encouraged to make every effort to utilize subcontractors that are small, women owned and/or minority owned business enterprises. Offerors who are committing a portion of their work to such subcontractors shall do so by identifying the type of services and work to be performed by providing detail concerning your organization's utilization of small, women-owned and/or minority business enterprises. Emphasis should be placed on specific areas that are subcontracted and percentage of contract utilization and how this effort will be administered and managed, including reporting requirements.

26. CONFIDENTIALITY OF RECORDS:

The contractor shall establish and maintain procedures and controls that are acceptable to the state for the purpose of assuring that no information contained in its records or obtained from the state or from others carrying out its functions under the contract shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information shall be referred to the state. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the contractor as needed for the performance of duties under the contract, unless otherwise agreed to in writing by the state.

27. ADMINISTRATIVE CHANGES:

The Procurement Officer, or authorized designee, reserves the right to correct any obvious clerical, typographical or grammatical errors, as well as errors in party contact information (collectively, "Administrative Changes"), prior to or after the final execution of a contract or contract amendment. However, such corrections shall be allowed only to the extent that they do not change the intent of the parties or the material terms of the contract or contract amendment. Administrative changes subject to permissible corrections include: misspellings, grammar errors, incorrect addresses, incorrect contract amendment numbers, pagination and citation errors, mistakes in the labeling of the rate as either extended or unit, and calendar date errors that are illogical due to typographical error. The Procurement Office shall subsequently send to the contractor notice of corrections to administrative changes in a written confirmation letter with a copy of the corrected administrative change attached.

<p style="text-align: center;"><b>SPECIAL TERMS AND CONDITIONS</b> <b>SOLICITATION HP554189</b></p>
---

28. PAYMENT PROCEDURES:

- a. ADHS accounting will not make payments to any entity, group or individual other than the contractor with the Federal Employer Identification (FEI) number identified in the Contract. Contractor invoices requesting payment to any entity, group or individual other than the contractually specified contractor shall be returned to the contractor for correction.
- b. The contractor shall review and insure that the invoices for services provided show the correct contractor name prior to sending them to the ADHS, Office of Health Systems Development, for payment.
- c. If the contractor name and FEI number change, the contractor must complete an "Assignment and Agreement" form transferring contract rights and responsibilities to the new contractor. ADHS must indicate consent on the form. A new W-9 form must be submitted by the new contractor and entered into the system prior to any payments being made to the new contractor.
- d. The contractor shall prepare and submit to ADHS, Office of Health Systems Development, 1740 W. Adams, Room 410, Phoenix, AZ 85007, a completed Contractor's Expenditure Report (CER) for allowable charges for covered services provided. ADHS shall pay the contractor for all accepted work, provided all associated encounter and eligibility data is received and verified. Payment for services denied under this reason shall not be collected from the client. Re-submission to correct incomplete data shall be limited to three re-submissions.
- e. All patient encounter data (including re-submits) and corresponding CERs shall be submitted within ninety (90) days from the date of service. Failure to do so shall result in non-payment.

29. ADJUSTMENTS TO PAYMENT:

If the contractor is in any manner in default in the performance of any obligation under this contract, the issuing agency may, at its option and in addition to other remedies, adjust or withhold payment until satisfactory resolution of the default. The contractor shall have the right to written notice of the issuing agency's action in adjusting or withholding payment. Under no circumstances shall the issuing agency authorize payment to the contractor that exceeds the amount specified in this contract without an approved, written amendment to this contract. The issuing agency may, at its option, withhold all payment for any task order under this contract until it has received all final reports and deliverables required by the task order.

30. INSPECTION AND ACCEPTANCE:

All services, data and required reports are subject to final inspection, review, evaluation and acceptance by ADHS. ADHS may withhold payment for services that are deemed to not meet contract standards.

31. DISPUTES/ARBITRATION

- a. In the event of a dispute requiring arbitration under this contract, the parties agree to make good faith attempts to resolve the dispute prior to taking a formal action.
- b. Disputes under this contract must be resolved pursuant to arbitration only to the extent that the provisions of A.R.S. '12-1518 apply.
- c. This contract shall be construed in accordance with Arizona Law.

# SCOPE OF WORK SOLICITATION HP554189

## PRIMARY CARE PROGRAM

### 1. BACKGROUND:

The mission of the Office of Health Systems Development (HSD), division of Public Health Services (PHS), of the Arizona Department of Health Services (ADHS), is to develop and strengthen community-based systems and services in order to expand access to primary care services to uninsured Arizona residents who reside in medically under-served areas.

During the spring of 1995, the Arizona legislature passed House Bill 2275, the enabling legislation that provided funding for the provision of primary health care to the uninsured and low-income residents of Arizona. The overarching vision of HSD's Primary Care Program (PCP) is to reduce health disparities and improve health outcomes by assuring that Arizonans who meet the program eligibility criteria have access to comprehensive, community-based, culturally responsive primary care services.

### 2. OBJECTIVES:

The Primary Care Program supports comprehensive primary care and preventive dental services to uninsured residents of Arizona whose family income is below 200% of the current Federal Poverty Level Guidelines (FPL) and who are not eligible for Medicare, KidsCare or AHCCCS. Services are provided on a sliding fee scale and the Primary Care Program assists in compensating for services not covered by that sliding fee patient payment. The sliding fee scale includes a zero payment category below 100% of the FPL.

Those medically underserved areas that are formally designated as Arizona Medically Underserved Areas (AzMUA) are of particular concern to the program and shall receive priority for funding. Sustainability of service is an important consideration; therefore the providers should accept Medicare and Medicaid assignment.

The Contractor shall provide comprehensive primary care services that exhibit the essential attributes of a primary health system as detailed in the Program Guidance Manual (Attachment A), (Appendix C – pages 28-31) and meet HSD program objectives as follows:

- A. Increase the number of uninsured, low-income Arizona residents that receive primary health care services and preventive dental services;
- B. Integrate cultural and linguistic competence measures into existing quality improvement activities to that services provided by staff are tailored to meet patient needs, beliefs and behaviors;
- C. Reduce health disparities among racial/ethnic minorities and other disenfranchised populations; and
- D. Increase patient satisfaction with the services provided.

### 3. SCOPE OF SERVICE:

The Contractor shall provide all the services and activities reported in the HSD Guidance Manual. The scope of service includes, but is not limited to, the following:

- A. Program compliance activities;
- B. Program management requirements;
- C. Patient eligibility determination;
- D. Use of the Sliding Fee Scale;
- E. Record maintenance requirements;



## SCOPE OF WORK SOLICITATION HP554189

- F. Quality assurance activities;
- G. Financial requirements, billing and payment procedures;
- H. Reporting and data submission requirements;
- I. Licensure and certification requirements, and
- J. Providing primary care and preventive dental care services as listed in **IV. TASKS**.

#### 4. TASKS:

The Contractor shall provide covered health care services and related activities as detailed in the HSD Guidance Manual (Part II and III – pages 6-18). The tasks shall include providing:

- A. Outreach services within the communities in the contractor's service area;
- B. Client eligibility determination in accordance with the PCP guidelines;
- C. Primary health care in accordance with the providers' scope of practice;
- D. Preventive health services in accordance with accepted standards (eg. EPSDT);
- E. Diagnostic laboratory services to support the delivery of primary health care;
- F. Diagnostic imaging services as required by the primary care provider;
- G. Pharmacy services (prescriptions to include diabetes supplies);
- H. Health education and health promotion activities (individual and in groups);
- I. Prenatal care services;
- J. Family planning services;
- K. Preventive dental services.
- L. Behavioral Health services, limited to assessment, counseling and referral;
- M. Patient referral, tracking and follow-up services;
- N. Stabilization services to persons who experience an emergent medical condition;
- O. Primary care services at least five (5) days per week, 8 hours per day, excluding holidays;
- P. Telephone triage 24 hours a day, 7 days per week;
- Q. Quality assurance improvement program activities;
- R. Patient satisfaction surveys that foster improved patient care;
- S. Foster cultural and linguistic competence within the healthcare organization;
- T. Foster partnerships with other agencies to provide enhanced community health services; and
- U. Documentation to HSD of patient eligibility, encounter, service utilization and demographic information.

#### 5. REQUIREMENTS:

##### A. Reporting:

The Contractor shall submit quarterly reports to HSD for review and acceptance. Each report is due by the 30th of the month following the end of each quarter. Each report shall provide a narrative description of the activities performed during the quarter and shall summarize significant milestones that were achieved. In particular, treatment interventions, health outcomes, process improvement strategies, over-all program effectiveness, and recommendations for "best practices" shall be addressed.

Quarterly reports may be submitted electronically (via e-mail, diskette or CD) using Microsoft Word in the format prescribed by the HSD's Program Guidance Manual or by postal mail.

##### B. Payment/Compensation:

The Contractor shall prepare and submit to ADHS, Office of Health Systems Development, 1740 W. Adams, Room 410, Phoenix, AZ 85007, a monthly Contractor's Expenditure Report (CER) reporting the number of primary care and preventative dental services provided by the Contractor during the reporting period. ADHS shall pay the contractor for all accepted patient visits, provided all requisite encounter and eligibility data are received and verified by HSD. A

## **SCOPE OF WORK SOLICITATION HP554189**

payment shall not be made to a Contractor who fails to submit a CER with an original signature or fails to submit the required encounter and eligibility data.

ADHS will provide written justification for any adjustments made to the payment amount claimed on the CER. Payment for services denied by ADHS shall not be collected from the client. A Contractor may re-submit CERs along with corrected encounter and eligibility data. Re-submissions to correct data errors shall be limited to three re-submissions during a 90 day period that follows the month of service.

6. DOCUMENTS:

All reference documents are contained the HSD Primary Care Program's Guidance Manual (Appendix A-M) dated October 2004. This manual shall be incorporated by reference herein.

7. STATE PROVIDED ITEMS:

In addition to the above referenced Guidance Manual, the state will provide copies of the Contractor's Expense Report to the contractor be used for monthly payments.

8. APPROVALS:

- A. HSD shall approve the Sliding Fee Scale prior to its use by the contractor.
- B. CER invoices shall be approved by HSD prior to payment.

9. DELIVERABLES:

- A. Quarterly reports (4)
- B. Contractor Expenditure Reports (12)
- C. Monthly eligibility and encounter data submissions (12)

10. DELIVERY SCHEDULE:

Quarterly reports are due 30 days after the end of the each quarter of the contract year. Eligibility and Encounter data submissions are due 20 days after the end of the service month.

11. ACCEPTANCE:

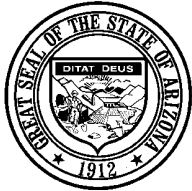
Upon receipt and approval of each Contractor Expenditure Report and corresponding encounter and eligibility data, ADHS shall process payment for all valid visits. Contract payments may be withheld pending the submission and approval of a CER and the required data.

12. NOTICES, CORRESPONDENCE, REPORTS AND INVOICES:

- A. All Notices, Correspondence, Reports, and CERs from the Contractor to ADHS shall be mailed to:

Office of Health Systems Development  
1740 W. Adams, Rm. 410  
Phoenix, Arizona. 85007

- B. All Notices, Correspondence and Reports from ADHS to the Contractor shall be sent to:  
**(Contractor shall Provide)**



# OFFER AND ACCEPTANCE

**Solicitation Number: HP554189**

**ARIZONA DEPARTMENT  
OF HEALTH SERVICES**  
1740 West Adams Street  
Phoenix, Arizona 85007  
(602) 542-1040  
(602) 542-1741 Fax

Submit this form with an original signature to the:

**Arizona Department of Health Services  
Office of Procurement  
1740 West Adams, Room 303  
Phoenix, Arizona 85007**

The Undersigned hereby offers and agrees to furnish the material, service or construction in compliance with all terms, conditions, specifications and amendments in the solicitation.

Arizona Transaction (Sales) Privilege Tax License No: \_\_\_\_\_

For Clarification of this Offer, Contact:

Federal Employer Identification No: \_\_\_\_\_

Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

FAX: \_\_\_\_\_

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Signature of Person Authorized to Sign Offer

\_\_\_\_\_  
Address

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
City, State, ZIP Code

\_\_\_\_\_  
Title

---

---

## OFFER ACCEPTANCE AND CONTRACT AWARD (For State of Arizona Use Only)

---

---

Your Offer is hereby accepted as described in the Notice of Award. The Contractor is now bound to perform based upon the Solicitation and the Contractor's Offer as accepted by the State.

This Contract shall henceforth be referred to as Contract Number: \_\_\_\_\_

**The Contractor is hereby cautioned not to commence any billable work or provide any material, service or construction under this contract until the Contractor receives an executed purchase order or contract release document or written notice to proceed, if applicable.**

State of Arizona

Awarded this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
PROCUREMENT OFFICER

## PRICE SHEET/FEE SCHEDULE

SOLICITATION NO: HP554189

### 1. DEFINITION OF "UNIT DESCRIPTION":

A patient visit consists of an authorized encounter involving face-to-face contact between an eligible individual and a medical/dental provider (i.e., MD, DDS, DMD, DO, PA, NP). A visit must be documented in the patient's medical record. A visit does not consist of a client picking up medications or dropping off laboratory specimens. "Units of Service" shall be allocated on an "as needed" basis not to exceed the total award amount of each contract period.

### 2. UNIT RATES:

SERVICE	UNIT	RATE PER UNIT	# OF UNITS
Primary Care Visit	Patient Visit		As Needed
Dental Visit	Patient Visit		As Needed
<b>Total Not To Exceed</b>			

### 3. BUDGET INFORMATION:

Please refer to the Purchase Order for budgetary information. ADHS reserves the right to increase or decrease the purchase order amount during the contract term to maximize the utilization of funds. Dental expenditures shall not exceed 25% of the total contract amount.

### 4. PRICE SHEET/FEE SCHEDULE:

Complete Unit Rate Calculation Form (Attachment B).



# CERTIFICATE OF INSURANCE

ARIZONA DEPARTMENT OF  
HEALTH SERVICES  
1740 W. Adams, Room 303  
Phoenix, Arizona 85007  
(602) 542-1040  
(602) 542-1741 Fax

Solicitation No: HP554189

PRIOR TO COMMENCING SERVICES UNDER THIS CONTRACT, THE CONTRACTOR MUST FURNISH THE DEPARTMENT, CERTIFICATION FROM INSURER(S) FOR COVERAGES IN THE MINIMUM AMOUNTS AS STATED BELOW, THE COVERAGES SHALL BE MAINTAINED IN FULL FORCE AND EFFECT DURING THE TERM OF THIS CONTRACT, AND SHALL NOT SERVE TO LIMIT ANY LIABILITIES OR ANY OTHER CONTRACTOR OBLIGATIONS

NAME AND ADDRESS OF INSURANCE AGENCY	A	COMPANY LETTER	COMPANIES AFFORDING COVERAGE
	B		
	C		
Name And Address of Insured	D		

This is to certify that the policies of insurance listed below have been issued to the insured named above and are in force at this time

Company Letter	Type of Insurance	Policy Number	Policy Expiration Date	Limits of Liability Minimum – Each Occurrence
	<input checked="" type="checkbox"/> Comprehensive General Liability <input type="checkbox"/> Premises Operations <input type="checkbox"/> Contractual <input type="checkbox"/> Independent Contractors <input type="checkbox"/> Products/Completed Operations <input type="checkbox"/> Personal Injury <input type="checkbox"/> Broad Form Property Damage <input type="checkbox"/> Explosion & Collapse (If Applicable) <input type="checkbox"/> Underground Hazard (If Applicable)			Bodily Injury Per Person Each Occurrence Property Damage OR Bodily Injury AND Property Damage Combined
	<input type="checkbox"/> Comprehensive Auto Liability Including Non-Owned (If Applicable)			Same as Above
	<input type="checkbox"/> Umbrella Liability			Necessary if Underlying Not Above Minimum
	<input checked="" type="checkbox"/> Workmen's Compensation and Employer's Liability			Statutory Each Accident
	<input type="checkbox"/> Other			

State of Arizona and the Department named above are added as additional insured as required by statute, contract, purchase order or otherwise requested. It is agreed that any insurance available to the named insured shall be primary of other sources that may be available.

It is further agreed that no policy shall expire, be canceled or materially changed to affect the coverage available to the State without thirty (30) days written notice to the State. THIS CERTIFICATE IS NOT VALID UNLESS COUNTERSIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE INSURANCE COMPANY.

Name and Address of Certificate Holder:

Date Issued \_\_\_\_\_

\_\_\_\_\_  
Authorized Representative

**ATTACHMENT A**  
**Program Guidance Manual**

**ATTACHMENT B**

**Unit Rate Calculation Summary**